



BAC 7710-FW-P

POSTAL REGULATORY COMMISSION

39 CFR part 3050

[Docket No. RM2015-12; Order No. 2601]

Periodic Reporting

AGENCY: Postal Regulatory Commission.

ACTION: Notice of proposed rulemaking.

SUMMARY: The Commission is noticing a recent Postal Service filing requesting that the Commission initiate an informal rulemaking proceeding to consider changes to analytical principles relating to periodic reports (Proposal Four). This notice informs the public of the filing, invites public comment, and takes other administrative steps.

DATES: *Comments are due:* August 31, 2015. *Reply Comments are due:* September 15, 2015.

ADDRESSES: Submit comments electronically via the Commission's Filing Online system at <http://www.prc.gov>. Those who cannot submit comments

electronically should contact the person identified in the **FOR FURTHER INFORMATION CONTACT** section by telephone for advice on filing alternatives.

FOR FURTHER INFORMATION CONTACT: David A. Trissell, General Counsel, at 202-789-6820.

SUPPLEMENTARY INFORMATION:

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I. Introduction

On July 17, 2015, the Postal Service filed a petition pursuant to 39 CFR 3050.11 requesting that the Commission initiate an informal rulemaking proceeding to consider changes to analytical principles relating to periodic reports.¹ Proposal Four is attached to the Petition and identifies the proposed analytical method change as a change relating to the use of the Summary of International Revenue and Volume Outbound statistical system (SIRVO) in the International Cost and Revenue Analysis (ICRA) report. *Id.* The Postal Service concurrently filed a nonpublic library reference, along with an application for nonpublic treatment of materials.²

¹ Petition of the United States Postal Service for the Initiation of a Proceeding to Consider Proposed Changes in Analytical Principles (Proposal Four), July 17, 2015 (Petition).

² Notice of Filing of USPS-RM2015-12/NP1 and Application for Nonpublic Treatment, July 17, 2015 (Notice). The Library Reference is USPS-RM2015-12/NP1—Nonpublic Material Relating to Proposal Four (SIRVO Inputs to ICRA). The Notice incorporates by reference the

II. Summary of Proposal

The Postal Service explains that the ICRA processing currently uses 20 individual quarterly international accounting datasets to provide country-specific outbound mail flow data for 46 individual countries and four regional aggregated country groupings. Petition, Proposal Four at 2. International accounting data have been the source of the mail flow data for countries not reported in the ICRA inputs by SIRVO. *Id.*

Under Proposal Four, the Postal Service seeks to use expanded SIRVO data in lieu of international accounting data. *Id.* The Postal Service asserts that the change does not materially affect the overall workings of the ICRA because the use of the SIRVO data is parallel to the use of the international accounting data. *Id.* The Postal Service states this change will streamline the ICRA data sources by eliminating 16 of the 20 datasets and retaining only four files for outbound Priority Mail Express International data that are not provided by SIRVO. *Id.* at 2. Further, Proposal Four will include data for the 186 additional countries/territories currently subsumed in the four regional aggregate groups. *Id.*

The Postal Service states that despite movement in the costs for individual products because of the new weighting scheme, overall costs will remain the same (to within one ten-thousandth of 1 percent) due to the ICRA benchmarking

process. *Id.* at 4. The Postal Service identifies 36 changes that differ by more than \$0.01 and 1 percent at the same time as a result of Proposal 4. *Id.* at 3. By way of example, the Postal Service represents that the shift to the SIRVO data sources will increase the volume-variable costs for International Priority Airmail and International Surface Airlift by \$125,000 and \$85,000, respectively. *Id.* The Postal Service asserts that this cost change is isolated in outbound products covered by SIRVO and any affected NSAs in the international settlements estimates. *Id.* The Postal Service also asserts that the only market dominant category to experience a change of 1 percent or more was the total volume-variable cost increase of \$10,000 for Outbound International Cards to Transition System Countries at Universal Postal Union rates. *Id.* at 4.

III. Initial Commission Action

The Commission establishes Docket No. RM2015-12 for consideration of matters raised by the Petition. Additional information concerning the Petition may be accessed via the Commission's Web site at <http://www.prc.gov>.

Interested persons may submit comments on the Petition and Proposal Four no later than August 31, 2015. Reply comments are due no later than September 15, 2015. Pursuant to 39 U.S.C. 505, James F. Callow is designated as officer of the Commission (Public Representative) to represent the interests of the general public in this proceeding.

IV. Ordering Paragraphs

It is ordered:

1. The Commission establishes Docket No. RM2015-12 for consideration of the matters raised by the Petition of the United States Postal Service for the Initiation of a Proceeding to Consider Proposed Changes in Analytical Principles (Proposal Four), filed July 17, 2015.

2. Comments are due no later than August 31, 2015. Reply comments are due no later than September 15, 2015.

3. Pursuant to 39 U.S.C. 505, the Commission appoints James F. Callow to serve as officer of the Commission (Public Representative) to represent the interests of the general public in this docket.

4. The Secretary shall arrange for publication of this order in the **Federal Register**.

By the Commission.

Ruth Ann Abrams,

Acting Secretary.

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